Saskatchewan
Agriculture

Annual Report
1983-84

Farm Purchase Program

Erratum:

This is the annual report of the Farm Purchase Program Fund. Where reference has been made to Farm Purchase Program, it should read Farm Purchase Program Fund.

ISBN 0-88656-169-8

Letters of Transmittal

Department of Agriculture

To His Honour,
The Honourable Frederick W. Johnson,
Lieutenant Governor of the Province of
Saskatchewan

Sir:

I have the honour to submit the annual report of Farm Purchase Program for the twelve months ending March 31, 1984.

Respectfully submitted,

Lorne Hepworth
Minister of Agriculture

Report of the Deputy Minister of Agriculture

Honourable Lorne Hepworth
Minister of Agriculture
Province of Saskatchewan

Sir:

I wish to present to you the annual report of Farm Purchase Program for the twelve months ending March 31, 1984.

Respectfully submitted,

Jack Drew,
Deputy Minister

Farm Purchase Program Fund

The Farm Purchase Program Fund was established effective April 1, 1983 under the authority of The Farm Purchase Program Act. Payments made out of the fund include interest charges on money borrowed to finance the purchase of land and advertising costs associated with the sale of provincial land administered by the Department of Agriculture.

The fund receives revenue from lease payments, penalties on arrears of lease payments, and interest payments on loans made for buildings and improvements. Shortfalls between revenues from those sources and payments made out of the fund are covered by appropriation by the Legislature or advances from the consolidated fund by the Minister of Finance.

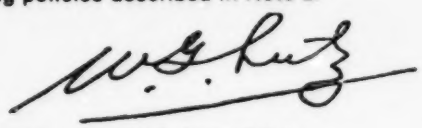
Expenditure obligations by the fund will continue at current levels until at least 1993 when repayment of principal on money borrowed begins.

Farm Purchase Program Fund

To the Members of the Legislative Assembly
Province of Saskatchewan

I have examined the statement of receipts and payments of the Farm Purchase Program Fund for the year ended March 31, 1984. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, the statement of receipts and payments presents fairly the cash position of the fund as at March 31, 1984 and its receipts and payments for the year then ended in accordance with the accounting policies described in Note 2.



Regina, Saskatchewan
June 21, 1984

W.G. Lutz, F.C.A.,
Provincial Auditor.

Farm Purchase Program Fund

Statement of Receipts and Payments
For the Year Ended March 31, 1984

Receipts	
Appropriation — Heritage Fund — Agricultural Division (Note 1)	$14,107,000
Lease payments	9,851,871
Penalties	449,754
Interest on loans	615,156
Investment	10,027
Advances from Consolidated Fund (Note 3)	820,000
Other	18,477
	25,872,285
Payments	
Interest (Note 1)	20,833,379
Bank loan (Note 3)	5,000,000
Advertising	37,351
	25,870,730
Excess of receipts over payments	1,555
Cash, beginning of year	—
Cash, end of year	$ 1,555

(See accompanying notes to the financial statement)

Notes to Financial Statement
March 31, 1984

1. Legislative Authority

The Farm Purchase Program Fund was established April 1, 1983, pursuant to the Farm Purchase Program Act, which was assented to December 17, 1982.

(a) Receipts

Pursuant to Section 8(2) of this Act, the following receipts are placed to the credit of the fund:

(i) lease payments on land formerly held by the Saskatchewan Land Bank Commission;
(ii) penalties on arrears of lease payments;
(iii) interest payments on loans for improvements made pursuant to section 22 of The Land Bank Act;
(iv) penalties on arrears of interest payments;
(v) interest earned on deposits or investments;
(vi) sums appropriated by the Legislature for the purposes of the fund;
(vii) advances from the Consolidated Fund.

(b) Payments

Pursuant to Section 8(3) of this Act payments were made out of the fund for interest costs on debt incurred by the former Saskatchewan Land Bank Commission. These payments were made to the Consolidated Fund.

2. Accounting Policies

(a) The accounts of the fund are maintained on a cash basis, whereby revenues are recorded as received and expenditures are recorded when paid. Accordingly, the financial position of the fund at March 31, 1984, does not include the following items:

(i) amount due from Department of Agriculture — Lands Branch — $364,189;
(ii) accrued interest costs — $6,834,817;
(iii) advance due to the Consolidated Fund — $820,000.

(b) The fund has not been charged with occupancy costs or administrative salaries and no provision for such costs is reflected in the statements. These costs are borne by the Department of Agriculture.

(c) Pursuant to Section 30(3) of The Heritage Fund (Saskatchewan) Act, certain deposits of money received by the fund with respect to the sale of land and loan repayments were deemed to have been deposited to the Agricultural Division of the Heritage Fund. Consequently, these moneys, amounting to $3,788,970 were transferred to the Heritage Fund and are not reflected in these financial statements.

3. Bank Loan Repayment

The fund on April 5, 1983 repaid a $5,000,000 bank demand loan assumed from the Saskatchewan Land Bank Commission. Pursuant to the provisions in Section 30(1) of The Heritage Fund (Saskatchewan) Act, assented to June 2, 1983, the liabilities of the Saskatchewan Land Bank Commission were deemed to be liabilities of the Agricultural Division, Heritage Fund on April 1, 1983. Accordingly, in Febraury, 1984, the fund was reimbursed $5,000,000 by the Heritage Fund.

4. Advances

Pursuant to Section 8(4) of The Farm Purchase Program Act the fund receives advances from the Consolidated Fund as required for the purposes of the fund.